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United States Department of Agriculture

Office of Information

Selected Speeches and News Releases

November 9 - November 16, 1989

IN THIS ISSUE:

Remarks—

News Releases—

Continued on inside front cover.

News Releases Continued.

Remarks

U.S. Department of Agriculture • Office of Information

Prepared for delivery by Secretary of Agriculture, Clayton Yeutter to the American Chamber of Commerce in Rome, Nov. 14.

Three years ago I sat among representatives of the world's trading nations meeting in Punta del Este, Uruguay. We had come together to begin the current negotiating round of the General Agreement on Trade and Tariffs (GATT)—the framework within which most of the world's trade takes place.

After a good deal of discussion, we issued a resolution with historic implications. It called for simultaneous, major reforms in agricultural trading policies around the world.

Then, in Geneva last April, the GATT nations agreed upon and released a framework agreement on agricultural trade reform. In essence, it organized the negotiation so we could move ahead.

Now it is time to transmute those hopeful statements of Punta del Este and Geneva into action.

We must more fully integrate agriculture into the GATT. Today, agricultural omissions and exclusions to GATT disciplines and rules are the norm rather than the exception. Farm program subsidies, non-tariff barriers and export subsidies are "the rules of the game."

No country is innocent. As trading nations, we have gridlocked ourselves into an entanglement of counter-productive policies that hurt us all.

As business people and government officials, all of you in this room know how desperately the world needs to find a way out of this expensive, wasteful situation.

One recent study indicates that, to the industrial economies alone, agricultural trade distortions cost about $165 billion per year. About $130 billion of this is a burden on consumers and taxpayers. And another $35 billion is what economists call welfare losses.

Trade liberalization would also eliminate an annual $26 billion loss of real income in the developing nations.

Exporting or importing agricultural products through today's maze of barriers and restrictions is difficult and often too expensive to be

practical. All the red tape and artificial impediments cost money and start arguments.

Italian farmers and merchants have been affected by any number of agricultural trade disputes in recent years. Cases involving citrus, pasta and beef hormones come most readily to mind.

I'm sure everybody here would prefer a system of trading rules that could deal effectively with such trade issues before they become full-fledged trade battles—not after. American farmers and traders would too.

It's been said that the study of history is the beginning of political wisdom and in trade policy the lesson is clear. Nobody wins trade wars; everybody loses. But when people of various nations can freely exchange goods and services, everybody benefits. All humanity takes a step forward.

The U.S. goal in the Uruguay Round is to help build a global trading system in which merchants of all nations can freely sell agricultural products globally to consumers who want to buy them—with a minimum of restriction and with every transaction subject to the same rules.

The U.S. is working diligently to promote increased, more efficient agricultural trade for every nation around the globe. We have been joined in this effort by many supporters here on this side of the Atlantic, as well as in Latin America and in the Pacific regions.

The United States willingly places our own agricultural production and trade policies on the table for scrutiny and negotiation. We offer to amend those policies—to the extent other trading nations make similar amendments in their own policies.

We will continue to offer this opportunity.

Three weeks ago, American Ambassador Carla Hills put forth a U.S. proposal to break the chains of inefficiency that now bind agricultural trade. We expect that before the end of 1989, the European Community will issue an agricultural trade reform proposal of its own.

The negotiating process will then intensify as we move toward the proposed December, 1990 conclusion of the Uruguay Round of the GATT.

I am personally optimistic that the nations of the world can work together to make real improvements. To that end, I would like to explain more fully to you the United States agricultural trade reform proposal.

U.S. Proposal

We call for improved and strengthened GATT rules and disciplines in four areas.

Import Access.

Export Competition.

Internal Supports.

Sanitary and Phytosanitary Measures.

We believe our proposal will lead to a change for the better.

In the opening of new market opportunities.

In how governments support their agricultural sectors.

In the opportunity for economic growth.

The U.S. proposal embodies four basic concepts.

Tariffication to improve import access.

Abolition of all export subsidies.

Categorization of, and reductions in, certain types of internal agricultural support programs.

Sanitary and phytosanitary measures based on sound science, applied uniformly around the globe.

Before going into the details, let me clear up two misconceptions.

First, let me tell you what the U.S. proposal is not.

It is not a proposal to eliminate all farm support programs. There is nothing in our proposal that precludes any nation from having a safety net for its farmers.

Under the U.S. proposal, countries would still be able to provide financial assistance to their farmers. One way to provide this help would be through direct income programs, but there are others. We ought to have enough imagination to devise ways of funneling income support to farmers without distorting trade!

Farm support policies should be redirected in this manner and we believe there are ample farm policy options available to accomplish this goal.

The second misconception I want to address arises from recent

comments by European officials that the U.S. proposal calls into question the GATT Mid-Term Agreement. Those comments suggest that the Mid-Term Agreement precludes the phase out of farm price support linked to production. That is a gross misstatement of what was agreed upon. It implies that the countries meeting in Geneva last April want to continue currently existing support systems, subsidies and import barriers.

What the agreement actually says is that the objective of the negotiations is to provide for substantial, progressive reductions in support and protection, resulting in correcting and preventing restrictions and distortions in world agricultural markets. This is exactly the direction in which the U.S. proposal will take us.

The U.S. proposal has four essential elements.

Import Access

Our proposal incorporates the tariffication concept that we first proposed in July. Essentially, "tariffication" is a 13-letter word for a common sense concept. We propose conversion of all current agricultural nontariff import barriers into tariffs—then reducing them, step by step over time. This is the way the GATT has functioned for 40 years in industrial goods and it is high time that agriculture be treated similarly.

First, all nontariff measures including import quotas, variable levies, restrictive licensing and voluntary restraints would be converted to their tariff equivalent beginning in 1991.

Then all tariffs, including the converted nontariff measures, would be progressively reduced over a suggested 10 year transition period. By the turn of the century, market access in agriculture should be approximately comparable to that in industry, which would be a marvelous achievement!

To help countries adjust, we suggest that tariff quotas be used to provide an orderly transition. In other words, countries would be able to use a combination of quotas and tariffs during the coming decade. We also propose to allow special safeguard measures during the transition period, to protect nations against temporary import surges.

Export Competition

The U.S. goal is to more effectively orient agricultural production to market forces by phasing out export subsidies and export restraints. We propose that export subsidies be phased out over five years. This timetable is critical in view of the serious dislocation of trade that these subsidies now cause.

Export tax differentials (which effectively act as export subsidies)

would also be phased out. Export restraints would be prohibited in 1991.

Internal Support Programs

The U.S. also proposes to strengthen GATT rules and disciplines covering internal agricultural subsidy programs which cause trade distortions.

To accomplish this objective, we have categorized support policies into three groups.

1.) Policies to be phased out over a 10 year transition period.

2.) Policies to be disciplined.

3.) Policies to be permitted without any new GATT disciplines.

The first category would include those policies that distort trade the most. An example would be commodity support programs which directly set prices of specific commodities, usually well above the prevailing world price.

I call these the "red light" programs, those subjected to a red stop light at the end of the road. When they reach it, they will have been phased out.

The second category is one that should be seen as having a sign that reads, "Caution, slow down" or a yellow light. These policies would be disciplined and their overall impact reduced.

The GATT disciplines on the "yellow light" programs would be intended to prevent nullification or impairment of concessions, and material injury or serious prejudice to a trading partner. Examples might be input and investment subsidies, such as fertilizer and irrigation subsidies that are generally available to all producers.

The third category of internal support programs would have a "green light" or "continue" sign attached to it. These "green light" policies would not be subjected to any strengthened GATT disciplines or reductions. This category would consist of income support measures not tied to production or commodity prices and programs such as research and extension which would not be trade distortive or only nominally so. Other examples might include domestic food aid, reforestation incentives, conservation programs or market promotion programs that do not affect price.

Sanitary and Phytosanitary Measures

In the area of sanitary and phytosanitary measures, the U.S. proposal would establish an international process for settling trade disputes involving food safety, animal health issues and plant health issues. It

would also promote harmonization of international standards in the food area.

Food safety policies should be established on the basis of sound scientific evidence and should recognize the principle of equivalency as provided in the Mid-Term Agreement.

The U.S. proposal recommends a formal process for notification, conciliation and dispute settlement. This would include formalized involvement of respected international organizations such as the Codex Alimentarius Commission, the International Plant Protection Convention and the International Office of Epizootics.

Trade restrictions based on health concerns would be established and challenged on the basis of science rather than irrational allegations or blatant protectionism.

Conclusion

We have lots of work to do over the next 12 months. Today we are far from achieving a consensus on agricultural trade reform, though in my judgement we should not be.

The package of measures I have just outlined constitutes a sound, rational, gradual and balanced in approach. It handles trade-offs among farmers, consumers and taxpayers throughout the world in a very sensible way.

There is little question that it will be politically difficult to accomplish meaningful agricultural reforms—in the U.S., Europe and elsewhere. We understand that. But if the GATT member nations miss this great opportunity, we will have done a great disservice to ourselves and our fellow human beings. This is a time to be bold and courageous, not timid.

Thank you.

#

Prepared for delivery by Secretary of Agriculture, Clayton Yeutter to the Food and Agriculture Organization at Rome, Italy, Nov. 14.

Mr. Director General, Mr. Chairman, fellow Ministers, ladies and gentlemen. For me, it is a distinct honor to address a conference of the Food and Agriculture Organization.

I have been a supporter of FAO for many years and have known personally many of its top professionals. I believe in its goals, its

programs, and its ability to have a profound and positive impact on world agriculture.

We have a productive world food system today that would have been unimaginable when the first group of nations came together to form the United Nations. Indeed, our food system has changed significantly even in the last 15 years since the World Food Conference was held.

In 1974, an atmosphere of doom and crisis surrounded that meeting. The doomsdayers said that by the mid-1980's—or 1990 at the latest—mass starvation would haunt many sectors of the globe. Fortunately, they were wrong.

Farmers continue to boost their output in response to market demand. Agricultural output has grown by more than 60 percent since the 1960's, while real food prices (adjusted for inflation) to consumers have trended downward for more than 40 years.

The last decade and a half since the World Food Conference has seen startling progress in the ability of the developing countries to feed their people and I predict that global agricultural productivity will make even greater strides in the next decade and a half.

But that is not to say that our world food system is perfect or that there are no real challenges ahead—because there are.

The global food system is far from a complete success. In nations such as Bangladesh, Sudan and Ethiopia, hunger and malnutrition still contribute to the deaths of an estimated 35,000 children each day.

This is absolutely not acceptable! We must work together to increase agricultural productivity in those countries needing it most and we must find the key to unlock and release sustained economic growth in all developing nations.

Many of the answers must come through trade and agricultural policy reform. Wasteful farm policies and trade restrictions on agriculture now cost consumers and taxpayers up to $165 billion per year. Those same policies cost the developing countries about $26 billion in lost real income each year. Again, this is not an acceptable situation!

World Food Security

Before addressing these two basic problems in our global food system—persistent hunger and dubious policies—let me spend a moment on the broader topic of food security.

A good bit has been written recently about the decline in world food reserves. It's true that grain stocks are as low today as any time since the

mid-1970's, but the circumstances are quite different. The current draw-down in grain stocks derives from policy decisions to limit production in the major grainproducing nations, not from any innate inability of the world's farmers to produce more.

The United States has idled 70 million acres of cropland—and additional land has been shifted out of crop production in the European Community and other grain exporting nations as well. World grain stocks could be rebuilt rapidly, if so desired, by simply calling this land back into production.

There is currently some movement in this direction. In the U.S., we have already adjusted our 1990 acreage formulas to allow farmers to plant more wheat. I expect our next wheat harvest will be up by 60 to 70 million bushels. This will help rebuild our basic food reserves after two years of drought—and ensure that we have enough wheat on hand to meet our food aid commitments. We hope that other nations will also act. It is not wise or prudent for the U.S. to carry such a high proportion of the world's food reserves.

The Issue of Hunger

Hunger is an extremely complex problem with many dimensions political, sociological, economic and agronomic. It is significant that I placed agronomic last. The bulk of our hunger problems are not caused by an inability to produce adequate supplies of food. Many of the most devastating occurrences of hunger and malnutrition today exist within countries that already have adequate supplies of food or the agricultural resources to produce such supplies.

The most serious incidents of hunger we now see are the result of failed political policies, failed economic policies, failed social policies.

Many of the world's hungry today are refugees and victims of war. In 1980, we had 7 million refugees worldwide. Today that number has doubled to 14 million.

Beyond these victims of acute hunger, an estimated 500 million people in the world suffer from less than adequate diets. Many of these 500 million are severely malnourished. Many are children. Many are wives and mothers. All are poor. Often they are victims of political and economic discrimination.

While food aid and economic assistance can lessen this suffering, they are not permanent solutions. The underlying problems that cause local food shortages and concomitant malnutrition must be addressed and corrected.

Roughly 90 percent of the food eaten in the world is consumed in the country where it is produced. Ultimately, each nation must confront and deal with its hunger problems through strengthening its own agricultural system as well as developing trade with other nations.

Political will and a spirit of innovation and enterprise are the keys to success in agriculture or any other business. Even nations with annual per capita incomes below $400, such as China and Sri Lanka, have made strong progress against hunger in the last decade.

The hunger battle can be won. We have the science, the knowledge of economics and the resources to win this battle. What is often lacking is the political will to squarely address the problem.

National policies that promote investment and private sector development can make a tremendous difference. Providing adequate incentives to farmers, relying on market mechanisms and giving priority to agricultural infrastructure are crucial steps to overcoming hunger.

Another major area to address is developing country debt. When huge financial resources must be committed to debt service, a nation cannot import the capital and other essential goods it needs to enhance competitiveness. Nor can it generate internal savings for its investment needs. Notwithstanding austere measures, its economic situation may worsen rather than improve.

We all have a stake in ameliorating the difficulties being experienced by the most debt-burdened countries. Through the Brady Plan and the cooperative efforts of public and private financial institutions we must hope that tangible progress will soon be made.

Historically, we've tried to help through aid programs. The U.S. has provided more than $40 billion in food aid and tens of billions of dollars in technical assistance, training and funds for capital investment in the developing countries. We will continue to do our part. But as a stimulus to lasting economic growth, commercial trade is far more important than aid.

Here's an example.

In 1987, OECD countries provided $41 billion dollars in aid to the developing countries. By comparison, last year the U.S. bought $178 billion worth of products from those same countries. That commercial trade did far more to help create jobs and provide incomes in those countries than did the aid.

But if trade is to foster economic growth, it must be as fair and open as possible. And in agriculture today, that is simply not the case.

Ill-founded farm policies and trade barriers now reduce developing country incomes by $20 billion per year or more. There is no excuse for such institutional shortcomings. They should have been corrected years ago.

U.S. Gatt Proposal

Three weeks ago, United States Ambassador Carla Hills put our proposal for world agricultural trade reform on the table at the GATT in Geneva. Here are the key elements of the U.S. proposal.

First, to improve market access by converting nontariff barriers to tariffs and then substantially reduce these and other tariffs over ten years.

Second, make export competition more equitable by phasing out export subsidies (including export tax differentials) over five years.

Export restrictions on foodstuffs imposed because of short domestic supplies would be prohibited.

Third, reform internal support measures by phasing out programs that distort trade the most, disciplining those that interfere with trade to a modest degree and retaining measures that have minor impact on trade.

Fourth, to place sanitary and phytosanitary regulations and barriers under an international process that fosters harmonization and the settlement of disputes.

I ask all of you for your support in bringing the Uruguay Round of the GATT to a successful conclusion, in agriculture and in other areas. The United States can not—and will not—adopt agricultural reform unilaterally. We must reach global consensus, and every nation must play its part.

Role of FAO

I am optimistic about the future of world agriculture and about our ability to improve the nutrition of all people, those living today and those yet to be born.

FAO can play an increasingly important role in helping ensure that this is the case. This organization already makes valuable contributions in many agricultural production and trade areas.

Codex Alimentarius;

Global Early Warning;

Pest and disease control;

Statistical work in agriculture, fisheries and forestry;

The International Plant Protection Convention;

Reforestation and the Tropical Forestry Action Plan; and a

Code of Conduct on the Distribution and Use of Pesticides.

I urge FAO to give greater attention to promoting the role of the market system and private enterprise in agricultural development. Countries where that has not occurred are those experiencing great economic upheavals today.

It is no accident that nations switching to market-oriented farm policies have enjoyed the greatest success in boosting their productivity in agriculture, and in industrial goods as well. Free enterprise, based on profit incentives, works .

We would also like to see FAO more vigorously encourage private sector development in agriculture, including joint ventures between governments and private companies in nations with poorly developed farm sectors.

FAO is important to America. It is important to me. As secretary of agriculture I want to see the ties between FAO and the U.S. become closer and more mutually supportive. When Director General Saouma visited me in Washington last month, I made a commitment to work with him toward this end.

The United States would like to compliment FAO on being willing to examine itself in an effort to strengthen the effectiveness of its programs. We are pleased by the director general's success in reducing administrative costs during his tenure. We encourage him to persist in his efforts.

We have great challenges ahead of us in agriculture. Each year nearly 90 million more people are added to the Earth's population. Let's work vigorously together to see that they will be well nourished and have ample opportunities for employment.

We have the ability and the resources to eliminate hunger from the face of the earth within the next 25 years. But it will not occur automatically. We must make it happen! To do less would be to condemn millions of people to unnecessary misery and suffering.

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News Releases

U.S. Department of Agriculture • Office of Information

THIS WEEK'S HONEY-LOAN REPAYMENT LEVELS UNCHANGED

WASHINGTON, Nov. 9—Producers may repay their 1988 and 1989 honey price-support loans at the following levels, according to Keith D. Bjerke, executive vice president of the U.S. Department of Agriculture's Commodity Credit Corporation:

Weekly Honey-loan Repayment Levels, color and class, cents per pound

	1989-crop	1988-crop
Table		
White	40.0	40.0
Extra-light Amber	37.0	37.0
Light Amber	36.0	36.0
Amber	35.0	34.0
Nontable	33.0	33.0

The levels are unchanged from those announced April 20, 1989.

Producers who redeem their honey pledged as loan collateral by repaying their 1988 or 1989 honey-price support loans at these levels may not repledge the same honey as collateral for another loan.

Jane K. Phillips (202) 447-7601 8:00 am-4:30 pm EST

John C. Ryan (202) 447-8207 4:30 pm-5:30 pm EST

#

INDIA, PAKISTAN AND BANGLADESH SELECTED FOR AGRICULTURAL TRADE MISSIONS

WASHINGTON, Nov. 9—Under Secretary of Agriculture Richard Crowder today announced that a U.S. agricultural trade and development

mission will visit Pakistan and Bangladesh and a second mission will visit India.

The missions are tentatively scheduled for February or March but exact dates have not been set. The missions' plans of action will be developed at a country strategy and program development workshop at the U.S. Department of Agriculture on Dec. 5.

"These three South Asian countries imported $1 billion worth of U.S. agricultural products last year," Crowder said. "In addition, Pakistan and Bangladesh are two of our largest food aid recipients. These missions offer an excellent opportunity to review all U.S. trade and development programs and make recommendations for improved coordination with the three countries."

The missions will include representatives from the U.S. Departments of Agriculture and State and the U.S. Agency for International Development. Three to six private sector representatives, yet to be selected, also will be part of both teams. They will be chosen for their knowledge of U.S. export programs, as well as the food needs, trade potential and economics of the three countries.

Congress authorized the missions program in December 1987 to encourage greater U.S. private sector and foreign country participation in U.S. agricultural trade and development activities. The missions to Pakistan, Bangladesh and India will bring the number of countries visited by U.S. missions to 16, fulfilling the legislative mandate of the program.

For more information on the Dec. 5 workshop or the missions program, contact Wayne W. Sharp, U.S. Coordinator, Agricultural Trade and Development Missions Program, Room 3058-S Building, Foreign Agricultural Service, USDA, Washington, D.C. 20250-1000; telephone (202) 382-0368.

Sally Klusaritz (202) 447-3448

#

USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON

WASHINGTON, Nov. 9—Under Secretary of Agriculture Richard T. Crowder today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and

the coarse count adjustment in effect from 12:01 a.m. Friday, Nov. 10, through midnight Thursday, Nov. 16.

Since the adjusted world price (AWP) is above the 1988 and 1989 crop base quality loan rates of 51.80 and 50.00 cents per pound, respectively, the loan repayment rates for the 1988 and 1989 crops of upland cotton during this period are equal to the respective loan rates for the specific quality and location.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates. Because the AWP in effect is above the established loan rate, loan deficiency payments are not available for 1989-crop upland cotton sold during this period.

Based on data for the week ending Nov. 9, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price		
Northern Europe Price		83.81
Adjustments:		
Average U.S. spot market location	12.42	
SLM 1-1/16 inch cotton	2.20	
Average U.S. location	0.39	
Sum of Adjustments		-15.01
ADJUSTED WORLD PRICE		68.80 cents/lb.
Coarse Count Adjustment		
Northern Europe Price		83.81
Northern Europe Coarse Count Price		-78.92
		4.89
Adjustment to SLM 1-inch cotton		-4.75
COARSE COUNT ADJUSTMENT		0.14 cents/lb.

The next AWP and coarse count adustment announcement will be made on Nov. 16

Charles Cunningham (202) 447-7954

#

PRIVATE EXPORTERS REPORT SALES ACTIVITY FOR UNKNOWN DESTINATIONS

WASHINGTON, Nov. 9—Private exporters today reported to the U.S. Department of Agriculture export sales of 250,000 metric tons of corn for delivery to unknown destinations during the 1989-90 marketing year.

The marketing year for corn began Sept. 1.

USDA issues both daily and weekly export sales reports to the public. Exporters are required to report to USDA export sales of 100,000 metric tons or more of one commodity, made in one day, to one destination by 3:00 PM eastern time on the next business day following the sale. Export sales of less than these quantities must be reported to USDA on a weekly basis.

Thomas B. McDonald (202) 447-3273

#

USDA SEEKS COMMENTS ON 1990 PULLED WOOL AND MOHAIR SUPPORT PRICES

WASHINGTON, Nov. 9—The U.S. Department of Agriculture is seeking comments on methods for calculating support prices for pulled wool and mohair for the 1990 marketing year.

The National Wool Act of 1954, as amended, provides that the support price for pulled wool shall be set at a level relative to the support price for shorn wool so as to maintain normal marketing practices for pulled wool. In the past, this provision has been implemented through payments made per hundredweight of live, unshorn lambs marketed.

The law also provides that mohair be supported at a level, determined by the secretary of agriculture, that is necessary to maintain approximately the same percentage of parity as for shorn wool. The mohair support prices shall be set at a level not more than 15 percent above or below the comparable percentage of parity at which shorn wool is supported.

The shorn wool support price is based upon a formula prescribed in the wool act. Based on the current reported parity index, the 1990 shorn wool support price will be $1.82 per pound (grease basis).

A preliminary regulatory impact analysis on the options is available from: Director, Commodity Analysis Division, USDA/ASCS, Room

3741-S, P.O. Box 2415, Washington, D.C. 20013 or by calling (202) 447-6734.

Comments must be received by Dec. 26, and will be available for public inspection in Room 3760-S of USDA's South Building during regular business hours.

Bruce Merkle (202) 447-6787

#

USDA ISSUES REPORT ON RURAL AIR SERVICE

WASHINGTON, Nov. 13—Rural air service is a vital link for many small communities, and it is increasingly critical to the economic viability of rural areas.

These are the conclusions of a report issued by the U.S. Department of Agriculture's Office of Transportation that focuses on rural air service, its importance to rural communities and its status since deregulation.

According to Martin F. Fitzpatrick, Jr., administrator of OT, deregulation has created dramatic changes in rural air service. "Rural residents have seen full-sized jets replaced by commuter aircraft, direct flights by hub-and-spoke routing, and apparently higher airfares," he said. "Yet using commuter aircraft has allowed airlines to schedule more flights from small airports, and hub-and-spoke routing has provided more convenient flights for most trips.

"And," Fitzpatrick said, "the real cost of airfare from rural communities declined after deregulation, although not as much as from metropolitan areas.

"While there are exceptions among isolated rural communities without easy access to an airport, rural areas today are more closely tied into the national air system than before deregulation," he continued. "In fact, under the Essential Air Service program, eligible communities are assured continued air service—an assurance not available to small communities before deregulation."

The EAS program, which was established by Congress in 1978 and funded for 10 years, provided subsidies to ensure continued service in rural areas after deregulation. In 1987, Congress voted to extend the program for another 10 years.

The report examines the effect of the EAS program on rural communities. It also provides a list of the communities receiving subsidies under the program as of Dec. 1, 1988, with information on average daily enplanements, the annual subsidy rate and the average subsidy per passenger for different communities.

This list shows that the per-passenger subsidy varied from a low of $2.26 for Princeton, W.Va., to a high of $1,034.35 for Beloit, Wis.

Larry Mark (202) 447-3977

#

USDA ANNOUNCES RECORD WEEKLY COTTON CLASSING VOLUME

WASHINGTON, Nov. 13—A record 1.3 million bales of cotton were classed for growers from Nov. 3-9, by the U.S. Department of Agriculture's Agricultural Marketing Service. "Classing offices operated around the clock in some locations to keep up with industry demand and the record volume of receipts," said Daniel D. Haley, AMS administrator.

The weekly total of 1.3 million bales of 1989 crop cotton were evaluated for quality factors such as fiber length, color, fineness and trash. Cotton which was classed by instrument (HVI) measured all these factors plus the strength and uniformity of cotton fibers.

"Ideal harvest weather conditions across most of the Cotton Belt have caused gin yards to become flooded with harvested cotton," Haley said. With a little over half of the estimated 11.3 million bales of 1989 crop cotton classed to date, USDA's 20 classing offices expect peak volumes to continue for a few weeks, he said.

"Meanwhile, personnel in several locations have worked as much as 28 consecutive days without taking a day off, in an effort to meet the goal of a three-day turnaround from our receipt of a cotton bale sample to release of USDA's classification results," Haley said. Some classing offices have been operating three eight-hour shifts daily, he said.

The cotton harvesting and classing season, which begins in late July in certain parts of the country and continues until the following March, reaches its peak during October and November.

"Currently, USDA has about 380 cotton classers," explained Haley,

''concentrated primarily in 14 of the agency's 20 cotton division field offices where the classing load is heaviest.''

Some of the busiest offices and last week's classing totals are: Greenwood, Miss.—200,000; Fresno, Calif.—189,000; Bakersfield, Calif.—133,000; Lubbock, Texas—122,000; Memphis, Tenn.—105,000; Rayville, La.—101,000; Little Rock, Ark.—75,000; Birmingham, Ala.—75,000; Hayti, Mo.—59,000; Macon, Ga.—51,000; Lamesa, Texas—44,000; Altus, Okla.—42000; Florence, S.C.—42,000; and El Paso, Texas—33,000.

''The generally good harvesting weather also has played a part in allowing growers to harvest cotton with unusually high quality this year, even better than the 1988 crop,'' Haley said.

George Clarke (202) 447-8998

#

PRIVATE EXPORTERS REPORT SALES ACTIVITY FOR CHINA AND PAKISTAN

WASHINGTON, Nov. 13—Private exporters today reported to the U.S. Department of Agriculture the following activity:

—Cancellations of 300,000 metric tons of soft red winter wheat for delivery to China during the 1990-91 marketing year; and

—Export sales of 251,564 tons of white wheat for delivery to Pakistan during 1989-90.

The marketing year for wheat began June 1.

USDA issues both daily and weekly export sales reports to the public. Exporters are required to report to USDA export sales of 100,000 metric tons or more of one commodity, made in one day, to one destination by 3:00 PM eastern time on the next business day following the sale. Export sales of less than these quantities must be reported to USDA on a weekly basis.

Thomas B. McDonald (202) 447-3273

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WEIGHT LOSS IS SIMPLE ARITHMETIC AS HOLIDAYS APPROACH

WASHINGTON, Nov. 14—Why do so many dieters lose the first few pounds with ease and then struggle, often in vain, to lose the rest?

Answer: their calorie intake isn't decreasing along with their weight, according to the latest U.S. Department of Agriculture findings.

"If you want to weigh 160 pounds, you have to eat like a 160-pounder," said William V. Rumpler of USDA's Agricultural Research Service. That applies year-around, including the coming holidays.

Rumpler, a physiologist at the center, said the results of two weight-loss studies—the first from the room calorimeter at ARS's Beltsville, Md., Human Nutrition Research Center—don't support the currently popular premise that people's metabolism slows down in response to fewer calories.

"Our data show that if you continue to reduce calories you will continue to lose weight," he said, assuming the dieter has a normal metabolism.

For example, when people lose 10 percent of their body weight, they need approximately 10 percent fewer calories to remain at the new weight. If they want to lose more, they have to continue reducing their intake to the number of calories necessary to maintain their target weight, explained Rumpler.

Of course, adding exercise to a weight-loss program reduces the number of calories people have to cut and helps them retain lean tissue as they lose unwanted fat, said ARS nutrition program leader Gerald F. Combs.

Rumpler said he did the studies to resolve conflicting evidence. In the last two years, some researchers have reported that the body "adapts" to a reduction in calories by turning down its metabolic rate as we would turn down a thermostat to save energy. And, they suggest chronic dieting contributes to this energy-saving phenomenon.

Other studies, however, have not shown this so-called adaptation. Those studies, Rumpler said, compared obese people or those who had lost weight with lean people rather than looking for metabolic changes in the same person.

To settle the question, he and colleagues put the room-size calorimeter to its first test. They assessed the number of calories 28 men burned

before, during and after eating special diets. Each man ate, exercised, slept and lived as normally as possible in the 8- by 10-foot room during the 24-hour measurements.

All the participants were healthy but overweight or, more correctly, "overfat," he said. Body fat ranged from 19 to 38 percent of total weight compared with a normal range of 14 to 18 percent.

Half of the men in each study got enough calories to maintain their starting weight and served as control. The other half got either 25 or 50 percent fewer calories than needed to maintain their weights.

About 90 percent of the men's drop in energy expenditure occurred the first week of the weight-loss diets. Most of that was during the first day—too soon to be attributed to a change in metabolic rate.

The men eating 25 percent fewer calories used 6 percent less energy at the end of the first week; those eating 50 percent fewer calories used 8 percent less.

While the dieters burned fewer calories, Rumpler said, the results were no less than would be expected from reducing the amount of food they had to process. "Between 8 and 15 percent of the calories we eat are lost as heat" as the body digests, absorbs, stores or converts the meal, he explained.

He said the findings from the calorimeter study agree with a recently published study done under similar controlled conditions.

"It's expected that as you lose weight, energy expenditure should decrease. Bigger bodies use more energy than smaller ones," he said.

The reason weight-loss slows down or stops altogether is, he suspects, because people begin to eat more than they think they're eating the longer they're on a diet. His own experience with study volunteers is that they substantially underestimate the number of calories they consume.

"People may eat a salad for lunch, thinking it's low in calories. But by the time they add croutons, cheese and bacon bits and smother it in oil or dressing, it has more calories than my peanut butter and jelly sandwich."

Judy McBride (301) 344-4095

#

USDA ANNOUNCES P.L. 480 COUNTRY, COMMODITY ALLOCATIONS FOR FISCAL 1990

WASHINGTON, Nov. 14—The U.S. Department of Agriculture today released tentative fiscal 1990 food-assistance allocations of $669.1 million under Titles I and III of Public Law 480, the Food for Peace Program.

According to Under Secretary of Agriculture Richard Crowder, the allocations are part of $776.0 million in planned commodity assistance for fiscal 1990, including some commodities still to be designated. Crowder said 31 countries presently are scheduled to receive approximately 2.2 million metric tons (grain equivalent) of food assistance. These allocations are part of Titles I and III program level of $815.6 million included in the USDA budget sequestration for fiscal 1990.

Crowder said that $106.9 million in unallocated funds has been set aside as a reserve to furnish commodities for unforeseen needs during the fiscal year.

While wheat supplies are more limited than in recent years, Crowder said, USDA expects wheat needs can be met or supplemented with other commodities. In view of the reduced U.S. wheat harvest, Secretary of Agriculture Clayton Yeutter has determined that 1.5 million metric tons will be supplied from the commercial market and up to 2 million will come from the Food Security Wheat Reserve to enable the United States to meet its food assistance obligations under P.L. 480.

The initial allocations were designed to meet the legal requirements of Section III of P.L. 480, which directs that not less than 75 percent of food aid commodities be allocated to friendly countries that meet the per capita income criterion for lending by the International Development Association. The countries in this category are those with an annual per capita gross national product of $1,070 or less, the new IDA eligibility level.

Crowder also said approximately 10 percent of the value of the Title I allocations would be used to finance Title III food-for-development programs. These allocations may include local-currency sales programs under Section 108 of Title I.

Crowder said the program takes into account many variables including commodity and budget availabilities; changing economic and foreign policy situations, including human rights assessments; potential for market development; fluctuations in commodity prices; availability of handling,

storage and distribution facilities; and possible disincentives to local production.

Since situations may develop which could cause a change in country and commodity allocations during the fiscal year, the initial allocations do not represent final U.S. commitments nor agreements with participating governments, although a number of Titles I/III agreements have been signed and more are expected to be signed shortly.

Title I of P.L. 480 is a concessional sales program designed to promote exports of agricultural commodities from the United States and to foster economic development in recipient countries. The program provides export credit of up to 40 years, with a grace period of up to 10 years and

Title III provides for the forgiveness of the debt incurred under Title I, based on accomplishments in food for development programs and projects agreed upon by the United States and recipient countries.

Additional technical information on the P.L. 480 program is available from Mary Chambliss of USDA's Foreign Agricultural Service, (202) 447-3573.

Printed copies of the list of allocations can be obtained from the USDA's Office of Public Affairs, News Division, Room 404-A, Washington, D.C. 20250. Telephone: (202) 447-9120, ask for press release 1482-89.

Sally Klusaritz (202) 447-3448

#

USDA SEEKS PUBLIC COMMENT ON 1990 CROP QUALITY ADJUSTMENTS

WASHINGTON, Nov. 14—The U.S. Department of Agriculture is asking for public comment on the grade and other quality adjustments to be used in making price support available for the 1990 crops of wheat, feed grains and soybeans, Keith Bjerke, executive vice president of the USDA's Commodity Credit Corporation, said today.

Comments and supporting data are sought for:

—Premium or discount levels for grades, special grade designations, and feed use grades of wheat;

—the frequency of establishing loan rate adjustments (annual versus more frequent adjustments);

—national versus regional or state level adjustments;

—weed control discounts;

—deducting foreign material and dockage from the weight of commodities in determining eligible quantities;

—moisture discounts as a percent of weight rather than per unit of volume;

—wheat protein adjustments;

—adjustments for different classes of wheat and feed grains;

—test weight discounts and the threshold levels for such discounts;

—settlement adjustments to assure the maintenance of quality of farmer-owned reserve commodities;

—other quality factors for which loan adjustments currently are not provided;

—varieties of grain of such a nature that price support should be disallowed or discounted to discourage its blending with conventional varieties.

Comments should be received by Jan. 16, 1990, and sent to Bruce R. Weber, director, Commodity Analysis Division, USDA-ASCS, Room 3740-S, P.O. Box 2415, Washington, D.C. 20013.

Additional information appears in today's Federal Register.

Robert Feist (202) 447-6789

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USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, Nov. 14—Under Secretary of Agriculture Richard T. Crowder today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

—long grain whole kernels, 10.16 cents per pound;

—medium grain whole kernels, 9.37 cents per pound;

—short grain whole kernels, 9.25 cents per pound;

—broken kernels, 5.08 cents per pound.

Based upon these prevailing world market prices for milled rice, rough rice world prices are estimated to be:

—long grain, \$6.28 per hundredweight;

—medium grain, \$5.84 per hundredweight;

—short grain, \$5.63 per hundredweight.

The prices announced are effective today at 3 p.m. EST. The next scheduled price announcement will be made Nov. 21, at 3 p.m. EST, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-7923

#

MASSACHUSETTS FIRM RECALLS SAUSAGE PRODUCT FROM TWO NEW ENGLAND STATES

WASHINGTON, Nov. 14—Lisbon Sausage Co., Inc., a New Bedford, Mass. food-processing firm, is voluntarily recalling approximately 300 pounds of its "Amaral's Chourico," a Portuguese smoked pork sausage product, from two New England states. Some of the product may be contaminated with the bacterium Listeria monocytogenes and could cause serious illness if eaten, according to a U.S. Department of Agriculture official.

The chourico has been distributed in southeastern Massachusetts and Rhode Island. It is sold in 1-pound vacuum sealed plastic packages that contain two sausages. The name "Amaral's Chourico" is printed on the label, and "Est. 219" is printed inside the USDA inspection seal on the label.

All of the recalled product bears the "sell by" date "1-29-90" or "Jan 29 90" stamped on the package. The product is sold exclusively to grocery stores. Only the chourico described above is being recalled. No other products produced by the firm have been implicated.

"Although no illnesses have been reported, we strongly urge consumers to avoid even opening the product and to return it immediately to the establishment where it was purchased," said Dr. Lester M. Crawford, administrator of USDA's Food Safety and Inspection Service. "The problem was discovered through USDA's routine monitoring program for Listeria monocytogenes."

Consumption of food contaminated with Listeria monocytogenes can cause listeriosis, a rare but potentially fatal disease. In general, healthy people are at little risk from listeriosis; most vulnerable are those with weakened immune systems—infants, pregnant women, the elderly and the chronically ill.

Listeriosis is usually manifested as meningitis or meningoencephalitis, which affects tissues around the brain or spine, or septicemia, which is blood poisoning. Listeriosis can cause spontaneous abortions and stillbirths.

Symptoms of listeriosis in adults include the sudden onset of flulike symptoms such as fever, chills, headache, backache, and sometimes abdominal pain and diarrhea. Symptoms in newborns include respiratory distress, refusal to drink and vomiting.

Consumers with questions about the recall may phone the toll-free USDA Meat and Poultry Hotline at 1-800-535-4555. The hotline can be reached from 9 a.m. to 5 p.m. (EST), Monday through Friday. Callers in the Washington, D.C., metropolitan area should call 447-3333. Both phone numbers provide access to a telecommunications device for the deaf.

The Food Safety and Inspection Service inspects all meat and poultry sold in interstate commerce to ensure that it is safe, wholesome and accurately labeled.

Jim Greene (202) 382-0314

#

LOW CHEMICAL VS. CHEMICAL FARMING UNDER STUDY IN IOWA

WASHINGTON, Nov. 15—A "neighborly disagreement" between two Iowa farmers mirrors the national debate over whether low-input, organic or other types of alternative farming are really superior to conventional farming.

The U.S. Department of Agriculture means to get the facts with a multi-year study.

At the invitation of the two farmers near Boone, Iowa, the department last spring sent a team of researchers to begin gathering evidence for the 1989 crop year. They are monitoring effects of each farmer's practices on soil, groundwater and crops.

The farmers' wallets won't be overlooked, either. "This is one of the first studies to combine basic scientific studies with an economic analysis," said Jerry L. Hatfield of USDA's Agricultural Research Service.

The story behind the study appears in the current issue of Agricultural Research magazine.

Other federal and state agencies are working with the USDA researchers on this study of two adjacent 40-acre fields, Hatfield said.

One field is part of a 300-acre private research farm that belongs to Dick and Sharon Thompson, long-time advocates of low-input, sustainable agriculture, designed to maintain the environment as well as the farm. The Thompson farm was cited as a case study by the National Research Council in its recently released report, "Alternative Agriculture."

Except for a few experimental plots, Dick Thompson has used no pesticides or commercial nitrogen fertilizer on his farm since 1967, according to the magazine article.

His crop rotation goes beyond the traditional corn and soybeans to include oats, hay and crops that produce their own nitrogen fertilizer. He grows the crops on raised, unplowed beds built with a technique called ridge tillage.

The adjacent field is part of the 1,400 acres of corn and soybeans that David Snyder farms with minimum fall tillage. Snyder has had a corn-soybean rotation on the field for at least the past 15 years, Hatfield said. Snyder uses pesticides and commercial fertilizers, however judiciously, the article indicated.

Hatfield, who is director of the agency's National Soil Tilth Laboratory in Ames, Iowa, and colleagues are leading the farm comparison study. They will evaluate the soil from the top down, including the movement of pesticides and fertilizers and the potential for leaching to groundwater.

They will assess the effects of different tillages on the soil's overall quality, or tilth, and water evaporation. And, said Hatfield, they will be looking at the effects on soil microbes and other organisms, including earthworms.

Thompson's main argument with Snyder and other farmers, according to the article, is that they till in the fall. "It's the reason earthworm populations decline," he said. Thompson believes bountiful earthworms are a sign of soil health.

Initial soil samples showed more worms in Thompson's field, but the article noted that "the jury is still out on who has more worms."

The bottom line for Thompson and Snyder will come each harvest. An automated combine will sample crop yields at 64 places in each field, allowing exact comparisons between yields under the two farming methods.

The results of the 1989 harvest are being analyzed now, Hatfield said.

Don Comis (301) 344-2773

#

USDA TO POLL DAIRY FARMERS, CO-OPS ON CLASS II MILK PRICING

WASHINGTON, Nov. 15—Dairy farmers and cooperatives will be asked if they favor tentative amendments the U.S. Department of Agriculture plans to implement to change the timing of monthly announcements for the price of Class II milk. Class II milk is used to make cottage cheese, yogurt and ice cream.

Dairy cooperatives in 32 areas under federal milk marketing orders will be polled to determine approval. Referenda will be conducted in four other market areas as well.

"USDA is basing its recommendations for changes in 36 of the 41 federal milk marketing orders on proposals made by the dairy industry at a public hearing in August in Alexandria, Va.," said Daniel D. Haley, administrator of the Agricultural Marketing Service.

"USDA decided to implement the changes on an interim basis at the request of milk handlers regulated under the orders. Milk handlers requested the changes because of the current rapid rise in milk prices," Haley said.

The proposed amendments would allow the final prices of Class II milk for soft dairy products to be announced on the 15th day of the month before processors purchase the milk from dairy farmers.

Market administrators currently announce a tentative price for Class II milk on the 15th; the final price is not announced until after the month in which the milk was purchased. The final price is delayed because the tentative price is "floored" at the Class III price for that month, which isn't known until the month is over.

The price for Class III milk, which is used for powdered milk, butter and hard cheeses, is usually lower than the tentative Class II price. However, Haley said, sometimes it is higher, and the orders now require the higher price to be the final Class II price.

"USDA is recommending the change because the current system of dual announcements sometimes results in a final price that exceeds the tentative price," Haley said. "Under the proposed amendments,

processors would be able to know the price in advance, while dairy farmers would continue to receive essentially the same level of return for their Class II milk.''

In those cases where the Class III milk price for the month exceeds that month's Class II price, USDA is recommending that any difference be added to the Class II price two months later.

Authorized by the Agricultural Marketing Agreement Act of 1937, federal milk marketing orders provide handlers and consumers with the security of steady, fairly priced milk supplies.

Interested parties will have 30 days after publication of the proposed changes to file written comments or exceptions.

Details of the interim amendments will be published as a tentative decision in the Nov. 15 Federal Register. Copies may be obtained from any federal milk marketing order office except those in Boston, Mass., New York, N.Y., and Alexandria, Va; or from AMS, USDA, Dairy Division, Order Formulation Branch, Rm. 2968, P.O. Box 96456, Washington, D.C. 20090-6456. Comments, in quadruplicate, may be sent to the Hearing Clerk, USDA, Rm. 1083-S, 14th Street and Independence Avenue, Washington, D.C. 20250, postmarked no later than Dec. 15.

The amendments would not apply to the milk orders administered from Boston, New York, and Alexandria, Va., nor to the Michigan Upper Peninsula and the Black Hills, S.D., orders because these orders operate in a twoclass rather than three-class pricing system, with prices established differently from the other 36 orders, Haley said.

Jacque Lee (202) 447-6179

#

USDA SEEKS COMMENTS ON CLASSING GRAIN TREATED WITH DIATOMACEOUS EARTH

WASHINGTON, Nov. 15—The U.S. Department of Agriculture's Federal Grain Inspection Service is seeking public comment on the need to revise current inspection criteria so that grain treated with diatomaceous earth (DE) is not automatically graded U.S. Sample. Currently, grain containing DE is rated ''Sample grade'' because the inspectors cannot positively identify it and, therefore, consider it an unknown foreign substance.

DE is microscopic siliceous skeletal material from diatoms. The silica from the skeletons works as a natural insecticide by piercing an insect's protective layer, resulting in dehydration and death. The Environmental Protection Agency has approved DE as an insecticide for control of grain insects.

DE is a natural insecticide, usually appearing as a light gray or white dust. When applied at very low levels, DE may not be readily visible on grain, but the texture of the grain may feel coarse compared to untreated grain.

The revised citeria would permit an applicant for inspection to request that grain be tested microscopically to identify DE positively and then be graded without regard to its presence.

Comments may be submitted in writing to Lewis Lebakken, Jr., Resources Management Division, USDA, FGIS, Rm. 0628-S, P.O. Box 96454, Washington, D.C. 20090-96454. Alternatively, telecopy users may send comments to the automatic telecopier machine at (202) 447-4628; telex users may respond to Lewis Lebakken, Jr., TLX: 7607351, ANS:FGIS UC.

Allen A. Atwood (202) 475-3367

#

USDA PROPOSES INCREASES IN DAIRY PRODUCT GRADING AND INSPECTION FEES

WASHINGTON, Nov. 16—The U.S. Department of Agriculture is proposing to increase certain fees for its ''voluntary'' (i.e., industry-solicited) grading and inspection services funded by the dairy industry.

The proposed increase reflects a 4.2-percent inflation in operating costs exclusive of salary, a mandated 3.6-percent cost-of-living rise in federal salaries scheduled to take effect January 1990, and a 13.3-percent increase in the government's cost for employee health benefits, said Daniel D. Haley, administrator of USDA's Agricultural Marketing Service.

The proposed increases are as follows:

—from $36 to $38 per hour for intermittent grading and inspection services, with travel and per diem costs continuing to be charged in addition to the hourly charge.

—from $32 to $34 per hour for "continuous resident" grading and inspection, i.e., for a grader-inspector assigned to a plant permanently.

Under law, the dairy grading program, like other voluntary commodity grading programs, is user-fee funded and must balance its fee income against its costs, Haley said. If adopted, the proposals would ensure that the dairy grading and inspection program is financially self-supporting.

These changes will be published as a proposed rule in the Nov. 17 Federal Register. Copies may be obtained from the Dairy Grading Section, Dairy Grading and Standardization Branch, Dairy Division, AMS, USDA, Rm. 2750-S, P.O. Box 96456, Washington, D.C. 20090-6456. Comments, to be received no later than Dec. 18, should be sent to Rm. 2968-S at the same address.

Clarence Steinberg (202) 447-6179

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USDA ANNOUNCES FEE FOR VOLUNTARY GRADING OF TOBACCO

WASHINGTON, Nov. 16—The U.S. Department of Agriculture today announced a fee increase for voluntary, industry-requested grading of tobacco.

Daniel D. Haley, administrator of USDA's Agricultural Marketing Service, said the increases will be from $22.30 to $29.45 per hour for basic grading service, from $26.60 to $35.15 per hour for overtime grading, and from $33.34 to $44.05 per hour for grading on Sundays and holidays. The new rate would include travel and administrative costs, he said.

The increases will not affect mandatory tobacco inspection and grading, i.e., the programs at USDA-designated auction markets such as those for flue-cured, fire-cured and burley tobaccos. The voluntary program is used chiefly by tobacco cooperatives receiving, processing, and storing tobacco under Commodity Credit Corp. loan.

The Tobacco Inspection Act of 1935 gives USDA authority to assess user fees for its tobacco grading systems.

Notice of the fee increases will appear as a final rule in the Nov. 17 Federal Register. Copies are available from the Director, Tobacco

Division, AMS, USDA, P.O. Box 96456, Rm. 502 Annex, Washington, D.C. 20090-6456.

Jacque Lee (202) 447-6179

#

SONOGRAMS REVEAL UNBORN SHEEP AND GOATS "SEDATED" BY POISONOUS PLANTS

WASHINGTON, Nov. 16—Sonograms that track the growth of human fetuses are also giving U.S. Department of Agriculture scientists new insights on how poisonous plants harm unborn lambs and goats.

Physicians have used sonograms for many years to monitor human fetal development and examine kidneys and other organs and tissues.

Now, animal researchers have learned from sonograms that toxins in certain plants, when eaten by a pregnant sheep or goat, deform a fetus because they restrict its normal movement in the womb, said Kip E. Panter of USDA's Agricultural Research Service in Logan, Utah.

"It's as if the fetus were being sedated," he said.

Laboratory scientists already knew that a goat or sheep fetus could develop a cleft palate and skeletal deformities when the mother ate range weeds such as lupine, poison-hemlock or wild forms of tobacco.

"But if we can more narrowly define the time when plant toxins are threatening, ranchers will have more options for grazing and breeding schedules to protect the fetus," Panter said.

He and other animal scientists at the ARS Poisonous Plant Laboratory—the only one of its kind in the United States—started using sonograms in 1987.

The latest sonogram findings show that "chemicals in the plants reduce the ability of the fetus to move in the mother's uterus," Panter said. "If the fetus can't move freely, it won't develop and grow normally.

"We learned for the first time that a fetus prevented from moving for three or four days at the critical time in gestation may develop cleft palate. If it's restricted for about 10 to 15 days, the skeleton will be deformed."

At present, he noted, the riskiest period is believed to be 40 - 70 days after conception in cattle, 30 - 60 days in sheep and goats and 30 - 50 days in pigs. But the critical time actually may be a range of only 3 - 5 days instead of 20 - 30, he said.

Ranchers can prevent poisonings by not grazing livestock in fields containing toxic plants, but Panter said this is not always feasible.

"What matters is to keep the pregnant animal from eating too much of the wrong plants at the wrong time," he said. Ranchers can do this by grazing pregnant livestock only intermittently where a poisonous plant is growing. Or, ranchers can schedule grazing so that the time when a plant is least toxic coincides with the time when the fetus is least susceptible, he said.

"Most of the plants we're concerned with become less toxic as the season progresses, and the toxins generally are the sort that don't build up in the fetus," he noted.

Before 1987, researchers had to rely on autopsies to see how a pregnant animal's consumption of poisonous plants affected her fetus.

In that year, however, the team's first research using sonograms revealed a previously unrecognized effect of locoweed on sheep fetuses. Scientists already knew that when a pregnant animal ate locoweed fluid would accumulate in the fetus and placenta. But the sonograms revealed that locoweed also sharply reduced the fetus' heart rate and the strength of heart contractions.

Dennis Senft (415) 559-6068

#

ALGERIA ELIGIBLE FOR SUNFLOWERSEED OIL UNDER ASSISTANCE PROGRAM

WASHINGTON, Nov. 16—Under Secretary of Agriculture Richard T. Crowder today announced an opportunity for sales of 20,000 metric tons of U.S. sunflowerseed oil to Algeria under the U.S. Department of Agriculture's sunflowerseed oil assistance program (SOAP).

Sales of sunflowerseed oil will be made to buyers in Algeria at competitive world prices. The export sales will be made through normal commercial channels with the assistance of sunflowerseed oil purchased by USDA. The subsidy will enable U.S. exporters to compete at commercial prices in the Algerian market.

SOAP is authorized by the Rural Development, Agriculture and Related Agencies Appropriations Act of 1989 which directs the secretary of agriculture to purchase $20 million of sunflowerseed and cottonseed oils, using funds available under Section 32 of Public Law 74-320, to facilitate

additional export sales of sunflowerseed and cottonseed oils in fiscal 1989 and 1990. The announcement for acquiring a USDA bonus under SOAP (GSM-514) contains the terms and conditions for eligible exporters to submit offers to USDA to receive a bonus in the form of crude sunflowerseed oil.

This allocation will be valid for a one-year period as described in the invitation for offers. Details of the program, including an invitation for offers from exporters, will be issued in the near future. For more information, telephone William Hawkins, (202) 382-9240, or Larry McElvain, (202) 447-3224. For a tape-recorded message announcing the issuance of invitations under the EEP, call the CCC Operations Hotline, (202) 447-2042.

Sally Klusaritz (202) 447-3448

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THIS WEEK'S HONEY-LOAN REPAYMENT LEVELS UNCHANGED

WASHINGTON, Nov. 16—Producers may repay their 1988 and 1989 honey price-support loans at the following levels, according to Keith D. Bjerke, executive vice president of the U.S. Department of Agriculture's Commodity Credit Corporation: The levels are unchanged from those announced April 20, 1989.

Producers who redeem their honey pledged as loan collateral by repaying their 1988 or 1989 honey-price support loans at these levels may not repledge the same honey as collateral for another loan.

Jane K. Phillips (202) 447-7601 8:00 am-4:30 pm EST

John C. Ryan (202) 447-8207 4:30 pm-5:30 pm EST

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